

IIPA 2006 "SPECIAL 301" RECOMMENDATIONS
IIPA 2004-2005 ESTIMATED TRADE LOSSES DUE TO COPYRIGHT PIRACY
(in millions of U.S. dollars)
and 2004-2005 ESTIMATED LEVELS OF COPYRIGHT PIRACY

ASIA PACIFIC

| | Business Software ¹ | | | | Records & Music | | | | Motion Pictures ² | | | | Entertainment Software ³ | | | | Books | | Totals ⁴ | |
|----------------------------------|--------------------------------|---------------|--------|------|-----------------|--------------|--------|------|------------------------------|--------------|--------|------|-------------------------------------|---------------|--------|------|--------------|--------------|---------------------|---------------|
| | Losses | | Levels | | Losses | | Levels | | Losses | | Levels | | Losses | | Levels | | Loss | Loss | Loss | Loss |
| | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 |
| PRIORITY WATCH LIST | | | | | | | | | | | | | | | | | | | | |
| India | 265.1 | 239.0 | 74% | 74% | 70.7 | 67.3 | 55% | 50% | NA | 80.0 | NA | 60% | 65.2 | 59.5 | 86% | 86% | 42.0 | 38.0 | 443.0 | 483.8 |
| Indonesia | 97.9 | 100.0 | 85% | 87% | 24.5 | 27.6 | 75% | 80% | NA | 32.0 | NA | 92% | NA | NA | NA | NA | 32.0 | 32.0 | 154.4 | 191.6 |
| People's Republic of China | 1276.1 | 1488.0 | 88% | 90% | 204.0 | 202.9 | 85% | 85% | 244.0 | 280.0 | 93% | 95% | 589.9 | 510.0 | 92% | 90% | 52.0 | 50.0 | 2366.0 | 2530.9 |
| Philippines ³ | 43.3 | 38.0 | 71% | 71% | 21.0 | 20.0 | 40% | 40% | NA | 33.0 | NA | 85% | 11.3 | NA | 85% | 90% | 48.0 | 48.0 | 123.6 | 139.0 |
| Thailand | 107.9 | 100.0 | 77% | 78% | 21.9 | 24.9 | 45% | 45% | 149.0 | 30.0 | 62% | 60% | NA | NA | 75% | 76% | 30.0 | 30.0 | 308.8 | 184.9 |
| WATCH LIST | | | | | | | | | | | | | | | | | | | | |
| Malaysia (OCR) | 75.1 | 73.0 | 60% | 61% | 38.8 | 55.5 | 49% | 52% | NA | 36.0 | NA | 50% | 23.4 | 12.9 | 91% | 91% | 10.0 | 10.0 | 147.3 | 187.4 |
| Pakistan (OCR) | 15.7 | 14.0 | 83% | 82% | 25.0 | 70.0 | 100% | 100% | NA | 12.0 | NA | NA | NA | NA | NA | NA | 55.0 | 52.0 | 95.7 | 148.0 |
| South Korea (OCR) | 255.8 | 276.0 | 46% | 46% | 1.3 | 2.3 | 13% | 16% | NA | 40.0 | NA | 20% | 415.1 | 349.0 | 55% | 43% | 43.0 | 42.0 | 715.2 | 709.3 |
| Taiwan | 77.5 | 88.0 | 42% | 43% | 21.5 | 49.4 | 26% | 36% | 98.0 | 40.0 | 51% | 40% | 161.9 | 123.0 | 42% | 63% | 18.0 | 20.0 | 376.9 | 320.4 |
| Vietnam | 26.8 | 30.0 | 91% | 92% | NA | NA | 95% | NA | NA | 10.0 | NA | NA | NA | NA | NA | NA | 16.0 | 16.0 | 42.8 | 56.0 |
| SPECIAL MENTION | | | | | | | | | | | | | | | | | | | | |
| Bangladesh | NA | NA | NA | NA | NA | NA | 85% | NA | NA | NA | NA | NA | NA | NA | NA | NA | 6.0 | 6.0 | 6.0 | 6.0 |
| Brunei | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Burma | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 4.0 | 4.0 | 4.0 | 4.0 |
| Cambodia | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 4.5 | 4.0 | 4.5 | 4.0 |
| Hong Kong (OCR) | 59.0 | 58.0 | 51% | 52% | 4.3 | 4.8 | 18% | 19% | NA | 28.0 | NA | 20% | 90.8 | NA | 71% | NA | 6.0 | 7.0 | 160.1 | 97.8 |
| Japan | 890.3 | 822.0 | 27% | 28% | NA | NA | NA | NA | NA | 161.0 | NA | 12% | NA | NA | NA | NA | NA | NA | 890.3 | 983.0 |
| Kenya | 10.4 | 9.0 | 83% | 83% | 13.0 | 12.6 | 97% | 98% | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 23.4 | 21.6 |
| Lao People's Democratic Republic | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 3.0 | 3.0 | 3.0 | 3.0 |
| Singapore | 49.7 | 54.0 | 42% | 42% | 2.4 | 3.7 | 5% | 9% | NA | 10.0 | NA | 12% | NA | NA | NA | NA | 2.0 | 2.0 | 54.1 | 69.7 |
| TOTALS | 3250.6 | 3389.0 | | | 448.4 | 541.0 | | | 491.0 | 792.0 | | | 1357.6 | 1054.4 | | | 371.5 | 364.0 | 5919.1 | 6140.4 |

Endnotes:

¹BSA's 2005 statistics are preliminary. They represent the U.S. publishers' share of software piracy losses in each country, and follow the methodology compiled in the Second Annual BSA/IDC Global Software Piracy Study (May 2005), available at <http://www.bsa.org/globalstudy/>. These figures cover, in addition to business applications software, computer applications such as operating systems, consumer applications such as PC gaming, personal finance, and reference software. BSA's 2004 piracy statistics were preliminary at the time of IIPA's February 11, 2005 Special 301 filing; the 2004 data has been revised and is reflected above.

²MPAA's trade losses and piracy levels for 2005 are available for a limited number of countries and are based on a methodology that analyzes physical or "hard" goods and Internet piracy. For a description of the new methodology, please see Appendix B of this report. As loss numbers and piracy levels become available for additional countries at a later time, they will be posted on the IIPA website, www.iipa.com.

³ESA's reported dollar figures reflect the value of pirate product present in the marketplace as distinguished from definitive industry "losses." The value of pirate product in the market in the Philippines reflects only the value of pirate product for personal computers. The methodology used by the ESA is further described in Appendix B of this report.

⁴For many countries, the "total" loss figure does not include losses for one or more industry sectors where figures are unavailable (NA). Consequently, the totals for these countries are even more conservative.

"OCR" means out-of-cycle review to be conducted by USTR.